



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	SB0292	Title:	Requiring stop signal arms on certain buses
Primary Sponsor:	Ryan, Don	Status:	As Introduced

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| <input checked="" type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
Federal Special Revenue	\$49,020	\$11,610	\$11,900	\$12,198
Other	\$0	\$0	\$0	\$0
Revenue:				
Federal Special Revenue	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of Fiscal Impact: This bill would require the retrofitting of existing buses and the inclusion of the required signs in new buses beginning July 1, 2008.

FISCAL ANALYSIS

Assumptions:

Department of Transportation

- The following estimates are based on the Department of Transportation (DOT) inventory of vehicles purchases for local government transportation providers with funding from DOT managed programs. The statewide inventory includes 29 vehicles that are still eligible for federal funding and 52 vehicles that are no longer eligible for federal funding.
- Signs required by the bill on eligible vehicles would be eligible for Federal Transit Administration (FTA) funding of 86% of costs for Section 5310 and 5311 providers and 80% of costs for Section 5307 providers.
- All matching funds for FTA funds used for signs would be provided by local governments, since there are no state funds available to match FTA funds.
- It is assumed that the fleet size on July 1, 2008 is the same as the current fleet size.

5. The estimated cost of retrofitting buses would be a minimum of \$1,500 per bus, based upon an estimate from a major bus vendor. For federal funding eligible buses, the cost would be \$43,500 (29 vehicles x \$1,500) and would be funded \$37,410 from federal FTA funds and \$6,090 from local government funds. The estimated costs for non-federal funding eligible buses would be \$78,000 (52 vehicles x \$1,500) and would be funded all from local funds. The total statewide retrofit cost to local governments would be approximately \$84,090.
6. This retrofitting would be a considered a one-time expense.
7. The estimated cost of including the required signs on new buses would be a minimum of \$500 per bus, based upon an estimate from a major bus vendor.
8. An estimated 27 new vehicles are purchased or replaced each year. These vehicles would be federal eligible at a total cost of \$13,500 annually (27 vehicles x \$500) funded \$11,610 from federal FTA funds and \$1,890 from local government funds.
9. A 2.5% inflation factor has been applied for the 2009 biennium.
10. Funds available for other capital and operating needs would be reduced by the funding that would be allocated for these signs.
11. The bill would also affect buses owned and operated by private non-profit and private for profit companies including developmentally disabled and elderly agencies, senior citizen centers, nursing homes, and charter companies.

Office of Public Instruction

12. For non-school buses, used by school districts for athletics and activities, the additional cost of installing stop arms on vehicles owned or used by school districts for athletics and activities would be borne by local taxpayers in the school district general fund budget, or the districts would use athletics gate receipts, etc. in the school districts' extracurricular funds as the source of revenue to support the installation. This requirement would not result in an additional state cost.

Department of Transportation

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Operating Expenses	\$49,020	\$11,610	\$11,900	\$12,198
<u>Funding of Expenditures:</u>				
Federal Special Revenue (03)	\$49,020	\$11,610	\$11,900	\$12,198
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
Federal Special Revenue (03)	(\$49,020)	(\$11,610)	(\$11,900)	(\$12,198)

Effect on County or Other Local Revenues or Expenditures:

1. Local revenues would be required to fund the costs not provided by Federal Transit Administration funds, which may impact the level of services currently provided.
2. From the information gathered and supplied above in the assumptions, local impact could be as high as \$85,980 for implementation of this bill and in new vehicle costs during FY 2008.

Long-Range Impacts:

1. Each new vehicle would be required to have the signal arm, at a cost of approximately \$70 per signal arm (local share – Federal Transit Administration would provide funds for \$430 remaining cost), the \$430 of federal participation will take operational funds away from the existing programs.

Sponsor's Initials

Date

Budget Director's Initials

Date